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01                   BEFORE THE CALIFORNIA HORSE RACING BOARD

01

02                   OF THE STATE OF CALIFORNIA

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03                   ROBERT TOURTELOT, CHAIRMAN

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06   In the Matter of:                    )

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07   The Regular Meeting of the         )

07   California Horse Racing Board )

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13                   TRANSCRIPT OF PROCEEDINGS

13

14                   Wednesday, November 8, 2000

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15                   Sacramento, California

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22   Reported by:

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23   JENNIFER SCHUMACHER, CSR

23   CSR No. 9763

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24   Job No.:

25   CHBE034

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The Regular Meeting of the )  
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TRANSCRIPT OF PROCEEDINGS, taken  
at the HILTON SACRAMENTO ARDEN, Sacramento,  
California, commencing at 2:57 p.m., on  
Wednesday, November 8, 2000, heard before  
ROBERT TOURTELOT, Chairman, reported by  
JENNIFER SCHUMACHER, CSR No. 9763, a  
Certified Shorthand Reporter in and for  
the State of California.

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APPEARANCES:

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Chairman: Robert Tourtelot  
Member: Sheryl L. Granzella  
Member: Marie G. Moretti  
Executive Director: Roy C. Wood, Jr.  
Assistant Executive Director: Roy Minami

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01 Sacramento, California, Wednesday, November 8, 2000  
02 2:57 p.m.  
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05 MR. WOOD: Please take a seat. Thank you, very  
06 much. Ladies and gentlemen, it's time that the meeting  
07 come to order. And this is a regularly scheduled  
08 meeting of the California Horse Racing Board. It's  
09 being conducted on Wednesday, November the 8th, 2000 at  
10 the Hilton Sacramento Arden Way Inn in Sacramento,  
11 California. Present at today's meeting are Chairman  
12 Robert Tourtelot, Commissioner Sheryl Granzella, and  
13 Commissioner Marie Moretti.

14 Before we go on with this afternoon's Board  
15 meeting, I would request if you have any conversation or  
16 comments that you make for the Board that you please  
17 state your name and your organization for our court

18 reporter. With that, I'd like to introduce the Chairman  
19 of the California Horse Racing Board, Mr. Rob Tourtelot.  
20 MR. TOURTELOT: Welcome to the November meeting  
21 or non-meeting, depending on how you interpret what's  
22 going to happen here, of the California Horse Racing  
23 Board.

24 I might say that I took a vow about a month and a  
25 half, two months ago that I wasn't going to get a  
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01 haircut until Governor Davis appointed another  
02 commissioner. Last night I was walking my dog, I was  
03 walking with my wife, and a policeman pulled us over and  
04 wanted to know when I was going to get a license for  
05 that dog. And notwithstanding my vow, I'm going to get  
06 a haircut tomorrow. We don't have another commissioner  
07 unless somebody in the audience is going to stand up and  
08 identify themselves as the new commissioner of the Horse  
09 Racing Board. A couple of wishful thinking hands up  
10 there.

11 So the problem is that under the law we have to  
12 have a quorum in order to take action. I don't think we  
13 need a quorum to have a meeting. We just can't do  
14 anything. And so I had some hope that maybe somebody  
15 would walk in and say that they were appointed  
16 temporarily to fill in and we could go forward and  
17 approve the items that are on the agenda, but  
18 unfortunately we can't.

19 Since we don't have a quorum at today's meeting,  
20 this meeting for the CHRB is cancelled. However, I  
21 hereby -- I may paraphrase this a bit, because as the  
22 commentators on some of the networks last night were in  
23 a place that they had never been before as to what to  
24 say and what to do, we're kind of in the same place.  
25 We've been on the Board eight years, and we've never had

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01 this problem. Bear with us.

02 We're going to now give notice of a special  
03 meeting of the Board to be conducted by teleconference  
04 at the CHRB office located at 1010 Hurley Way, Suite 300  
05 at 2:00 p.m. on Tuesday, November 14th. The reason for  
06 that is we have to act by November 15th with respect to  
07 the license application for Golden Gate, or there will  
08 be no racing, and there will be no simulcast to Southern  
09 California, and you all know what the ramifications of  
10 that are with respect to taxes to the state and people's  
11 earning ability. They count on the salaries that they  
12 get from a meet.

13 The agenda of the special meeting will be the  
14 discussion and action by the Board on the application  
15 for license to conduct a horse racing meeting of the  
16 Pacific Racing Association at Golden Gate Fields,  
17 commencing November 15th, 2000 running through January  
18 15th, 2001, inclusive. There also will be discussion  
19 and action by the Board on the request of Magna  
20 Entertainment to reallocate the 2001 race dates for  
21 northern thoroughbred race meets.

22 The members of the public who are interested in

23 participating in the teleconference meeting can attend  
24 at the CHRB office in Sacramento. Now, obviously we  
25 have to have an appointment of another commissioner in

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01 order to go forward on the 14th. We're doing this to  
02 save the situation if there's a commissioner appointed.  
03 Otherwise, what we'd have to do -- if I adjourned the  
04 meeting, that causes meetings where we have to have a  
05 ten-day period to have a new meeting. But we do have  
06 authority under the Bagley-Keene Act to have a special  
07 meeting to consider a licensed application, specific  
08 instruction in the Bagley-Keene Act. That's why we're  
09 cancelling this meeting and announcing a special  
10 meeting.

11 Having said all that, you all came here, and I  
12 don't see any reason why -- if there's something that  
13 you want to say about anything, we're here, and we're  
14 convened for the meeting. We just can't take action.  
15 Doesn't mean that we can't listen to you. And somebody  
16 that wants to say something might come forward.

17 MR. TUNNEY: I asked Rod Blonien if it was an  
18 open mike or karaoke. Many of you that have lived in  
19 this area have seen Rod at night at karaoke.

20 I'm Peter Tunney representing Golden Gate Fields,  
21 and I want to know, Mr. Chairman and members, are you  
22 going to take any inquiries about the application, or is  
23 the Board staff going to present that?

24 MR. TOURTELOT: I was trying to think whether we  
25 were going to ask Ron to sing Happy Trails. It might be  
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01 appropriate at the moment.

02 MR. MINAMI: The notice of special meeting will  
03 include an opportunity for any member of the public who  
04 wishes to make comments on the matters to be decided  
05 there to have an opportunity to address the Board.

06 MR. TUNNEY: I would like to then file with the  
07 Board some changes in officers and directors of the  
08 meeting and have it on file with the Board for Tuesday.

09 MR. TOURTELOT: Any material changes?

10 MR. TUNNEY: No, no, no material changes. Good  
11 question, Mr. Chairman. Strike that. Okay.

12 MR. TOURTELOT: Rod, you may have to sing then  
13 again. We can take a vote. It would be very  
14 embarrassing that it would be 99 to 1 that you don't  
15 sing.

16 MR. BLONIEN: Mr. Chairman, I had a question.  
17 Assuming that there is an appointment for the meeting on  
18 Tuesday, then the other items that are on the agenda  
19 that wouldn't be taken up Tuesday, the proposal is for  
20 the meeting in early December --

21 MR. WOOD: Correct. Anything that's on the  
22 agenda for this meeting that's not listed on the special  
23 meeting agenda will be rescheduled for our December 1st  
24 meeting, which will be in Los Alamitos on December the  
25 1st.

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01 MR. TOURTELOT: The reason being, the

02 Bagley-Keene Act only allows us to have a special  
03 meeting for specified purposes. And what I'm going to  
04 do is consider applications for approved licenses, but  
05 the other items are not in the enumerated subjects of  
06 special meeting.

07 MR. TUNNEY: I have one other issue,  
08 Mr. Chairman. Certainly a subject of conversation  
09 possibly at the meeting on Tuesday will be the condition  
10 of the license or the fitness of the license, if you  
11 will. And for the last several months in conjunction  
12 with the TOC and the CTTA we have been doing -- I say  
13 we, I won't take any credit for it -- but a good job in  
14 making the improvement in the stable area and  
15 surrounding area, including the turf track and the  
16 course. We have a comprehensive thing here to file with  
17 the Board, which will be to answer any of these  
18 questions.

19 We've had some visits by numerous people,  
20 including two present commissioners, as well as staff  
21 members from the Board. I was pleased to see that in  
22 one of the quotes the examining steward -- I guess that  
23 would be the title -- said that he has never seen Golden  
24 Gate so prepared or as great a shape as it is in  
25 preparation for this meet. So we're pleased to announce  
0010 that, and we have several copies for the commissioners.  
01 Thank you.

02 MR. TOURTELOT: Thank you, Peter. I heard just  
03 in casual conversation from the commissioner really good  
04 things about what's been going on up there. And I would  
05 invite either or both of the commissioners to share, if  
06 they want to share, some thoughts about impressions of  
07 what you've done, because I think you do get credit for  
08 following through on what the progress is.

09 MR. TUNNEY: Tom Austin -- the preparer of this  
10 novel is Tom Austin based in Santa Anita. His team with  
11 our team have done a tremendous job. It looks like a  
12 brand new stable facility. We're excited about it.

13 MS. GRANZELLA: I just wanted to say we did do a  
14 tour a couple weeks ago. If you've ever been at Golden  
15 Gate, you wouldn't recognize you were in the same place.  
16 It does look brand new, just a ton of work going on.  
17 It's remarkable the job they've done. They have done a  
18 great job. You need to be commended.

19 MR. TUNNEY: Thank you, Sheryl -- I mean  
20 Commissioner Granzella.

21 MS. MORETTI: I concur. I was very pleased to  
22 see that it was not just a cosmetic job. There's a  
23 thorough job going on, and the horsemen seem to like it,  
24 and I think you've done a fabulous job in the time that  
0011 you have.

01 MR. TUNNEY: Thank you, Commissioner.

02 MS. MORETTI: Because I have been to Golden Gate  
03 many, many times on the backside there, and it was in  
04 bad shape. John Bailey from TOC --

05 MR. TOURTELOT: Speak into the mike.

07 MS. MORETTI: And John Van De Kamp. We know a  
08 lot has been going on up there. We're pleased with  
09 that. I had a question or two for Peter, just status a  
10 report. Where are we with the hospital? I know there  
11 are some problems, I think, with the city on that. And  
12 where are we, I guess, with the shoot? We were going to  
13 extend the shoot back there. I just wondered where we  
14 were with respect to these projects. And I guess the  
15 last question, because I think it needs to be raised,  
16 there was a commitment made to the chairman here some  
17 while ago about the amount of money that will be spent  
18 on the backside. I don't know whether that's covered in  
19 this report or not or how that's been detailed. But  
20 having said that, or raised those questions, we are very  
21 appreciative of the amount of work that's being done and  
22 the improvements that they have entered into.

23 MR. TOURTELOT: \$5 million I'm not sure included  
24 the track in addition to the backside. But in any  
25 event, about the hospital, that is some concern of mine

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01 because I know in some conversation I had that was going  
02 to -- there was some thought that you might do -- you  
03 all might delay that and not put it there, put it  
04 somewhere else. I don't know. There was some  
05 conversation about that which lead me to believe that it  
06 wasn't --

07 MR. TUNNEY: Here's the update on -- a two-part  
08 answer to a two-part question. The books do contain --  
09 Mr. Austin has informed me the books do contain a  
10 detailed accounting of what's been spent and where it's  
11 been spent and that sort of thing. That's contained  
12 within the book. We have moved forward with both the  
13 shoot and the equine hospital with the City of Berkeley.  
14 They just had their election as well. No recount  
15 necessary. We expected to move forward with them.

16 What has occurred when -- we had a lease that  
17 goes way back in those years. It was to expire in 1997.  
18 This was with the Santa Fe Realty Company, the precursor  
19 to Catellas Corporation. The City of Berkeley about 20  
20 some years ago voted on a development plan that was  
21 going to be in the general area around the race track,  
22 the race track meaning their part of it, Berkeley's part  
23 of it, and that would encompass part of the stable area.

24 We have put together permit applications for  
25 those items you have mentioned, and we've kind of hit a

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01 little bump in the road in that Berkeley is while not  
02 reluctant to allow us to either demolish one of the  
03 barns to allow us to put the shoot in or the hospital  
04 itself are concerned that it's not part of a master plan  
05 that will eventually allow Berkeley to do some of this  
06 development. So it has to be addressed at a higher  
07 level. That's what they have come back and told us as  
08 recently as last week. We can supply the Board with the  
09 documents. We have correspondence with the permit  
10 department in the City of Berkeley, and we've retained  
11 counsel to help us in that process, and we expect to

12 move forward as quickly as we can.

13 MR. TOURTELOT: You obviously then are moving  
14 forward with all the governmental applications, permit  
15 process to then be able to go ahead and erect the  
16 hospital?

17 MR. TUNNEY: Correct, and the shoot.

18 MR. TOURTELOT: The shoot is a separate issue.  
19 Let me ask you this way. You don't have any plans to  
20 put the hospital somewhere else?

21 MR. TUNNEY: No.

22 MR. TOURTELOT: Not in Dixon, but somewhere else.

23 MR. TUNNEY: There's been no discussion or no  
24 plans to relocate the office to some other facility or  
25 some other site, no.

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01 MR. TOURTELOT: So the only delay is because of  
02 the permitting process?

03 MR. TUNNEY: That's correct.

04 MR. TOURTELOT: And you're moving forward on  
05 that?

06 MR. TUNNEY: Yes.

07 MR. TOURTELOT: Charlie?

08 MR. DOUGHERTY: Charlie Dougherty with California  
09 Thoroughbred Trainers. I think it would be appropriate  
10 to pay a huge compliment to Golden Gate Fields' team and  
11 Magna Corporation. I have been on a walk-through with  
12 Commissioners Granzella and Moretti and seen where we  
13 were basically six months ago until this morning when I  
14 walked through there. It is an amazing progression of  
15 what they have done. And the compliments from the barn  
16 area are nothing short of fantastic. And people do  
17 appreciate the efforts that have gone on, and it really  
18 does make a difference in the appearance and also the  
19 quality of the stalls now.

20 MR. TOURTELOT: Anyone else have any comments on  
21 any subject whatsoever that's related or connected to  
22 horse racing? Any of the commissioners have anything  
23 they want to say?

24 MR. WOOD: I just want to remind everyone that  
25 there will be a teleconference meeting. If you cannot

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01 be there in person and you want the number of the  
02 teleconference, call the number of the horse racing  
03 office. We'll be able to provide you with the number,  
04 and you can call into the office of Sacramento and  
05 attend that by conference. We will have that posted on  
06 the Internet and put on the agenda so all the public  
07 will be able to know the teleconference number. We  
08 don't have it right now, but we are in the process of  
09 securing it this afternoon.

10 MR. TOURTELOT: It will definitely be on the Web  
11 site.

12 MS. MORETTI: On another subject, I'd just like  
13 to take a minute to congratulate all the Californians  
14 who were victorious in the Breeder's Cup last week, and  
15 particularly to Tisnow for winning the Classic. It made  
16 me very proud to be a Californian.



17 MR. TUNNEY: On a sad note, Commissioner Moretti,  
18 I heard this morning that Cece Straub-Rubens passed away  
19 over the weekend.

20 MR. TOURTELOT: She had a heart attack during her  
21 surgery for cancer.

22 MR. TUNNEY: I thought she looked great in the  
23 winner's circle. She was very gracious. But it's very  
24 tragic.

25 MR. TOURTELOT: I'm sorry to single you out. I  
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01 read in the L.A. Times today in somebody's column that  
02 there was going to be a celebration for Hubbard at the  
03 finish line on Thursday and that the horse racing  
04 industry was honoring Mr. Hubbard. And I hadn't heard  
05 anything about it. What aspect of the horse racing  
06 industry was doing it? Not that I object.

07 MR. WYATT: Yule Wyatt. That award is in  
08 conjunction with the NTRA, which is taking place in  
09 Hollywood Park tomorrow morning. I believe everybody in  
10 this room was invited. If you weren't, you certainly  
11 are.

12 MR. TOURTELOT: Thank you. Well, with that, we  
13 will adjourn our non-meeting. Thank you all for coming.

14 (Proceedings concluded at 3:15 p.m.)  
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